

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 65th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: Chair Jeff Essmann, on March 20, 2017 at 10:00 A.M., in Room 152 Capitol

ROLL CALL

Members Present:

Rep. Jeff Essmann, Chair (R)
Rep. Kelly Flynn, Vice Chair (R)
Rep. Kim Abbott (D)
Rep. Becky Beard (R)
Rep. Mary Ann Dunwell (D)
Rep. Dave Fern (D)
Rep. Wylie Galt (R)
Rep. Jim Hamilton (D)
Rep. Adam Hertz (R)
Rep. George G. Kipp III (D)
Rep. Steve Lavin (R)
Rep. James O'Hara (R)
Rep. Alan Redfield (R)
Rep. Bridget Smith (D)
Rep. Tom Welch (R)
Rep. Kerry White (R)

Members Excused:

Rep. Tom Jacobson, Vice Chair (D)
Rep. Zach Brown (D)
Rep. Ron Ehli (R)
Rep. Greg Hertz (R)

Members Absent: None

Staff Present: Margot Miltenberger, Committee Secretary
Megan Moore, Legislative Branch

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:

Executive Action: HB 239; HB 249; HB 403; HB 413; HB 550; HB 554; HB 558;
HB 567; HB 573; HB 574; SB 27; SB 132; SB 150; SB 252
SB 126; HB 309

Committee Business:

00:01:18 Rep. Dunwell

00:02:05 Recessed

00:28:34 Reconvened

00:28:13 Chair Essmann

[EXHIBIT\(tah57a01\)](#)

[EXHIBIT\(tah57a02\)](#)

[EXHIBIT\(tah57a03\)](#)

00:28:38 Rep. Z. Brown joined the meeting

EXECUTIVE ACTION ON HB 239

00:29:35 **Motion:** Rep. Flynn moved that **HB 239 DO PASS.**

Discussion:

00:29:41 Megan Moore, Legislative Services Division (LSD)

00:30:20 **Substitute Motion/Vote:** Rep. Flynn made a substitute motion that **HB 239 BE TABLED.** Substitute Motion carried 17-3 by voice vote with Rep. Z. Brown, Rep. Dunwell and Rep. Kipp voting no. Rep. Ehli, Rep. G. Hertz and Rep. Jacobson voted by proxy.

EXECUTIVE ACTION ON HB 249

00:31:48 **Motion:** Rep. Flynn moved that **HB 249 DO PASS.**

Discussion:

00:31:57 Megan Moore, LSD

00:32:18 **Substitute Motion/Vote:** Rep. Flynn made a substitute motion that **HB 249 BE TABLED.** Substitute Motion carried 12-8 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Fern, Rep. Hamilton, Rep. Jacobson, Rep. Kipp and Rep. B. Smith voting no. Rep. Ehli, Rep. G. Hertz and Rep. Jacobson voted by proxy.

EXECUTIVE ACTION ON HB 403

00:34:15 **Motion:** Rep. A. Hertz moved that **HB 403 DO PASS.**

00:34:39 **Substitute Motion/Vote:** Rep. A. Hertz made a substitute motion that **HB 403 BE TABLED.** Substitute Motion carried unanimously by voice vote. Rep. Ehli, Rep. G. Hertz and Rep. Jacobson voted by proxy.

EXECUTIVE ACTION ON HB 413

00:35:53 **Motion:** Rep. Flynn moved that **HB 413 DO PASS.**

Discussion:

00:36:02 Chair Essmann

00:38:00 **Substitute Motion/Vote:** Rep. Essmann made a substitute motion that **HB 413 BE TABLED**. Substitute Motion carried unanimously by voice vote. Rep. Ehli, Rep. G. Hertz and Rep. Jacobson voted by proxy.

EXECUTIVE ACTION ON HB 550

00:38:35 **Motion:** Rep. Flynn moved that **HB 550 DO PASS**.

Discussion:

00:38:47 Chair Essmann

00:39:18 **Motion:** Rep. Flynn moved that **HB 550 BE AMENDED**.
EXHIBIT(tah57a04)

Discussion:

00:39:33 Megan Moore, LSD

00:40:03 **Vote:** Motion carried unanimously by voice vote. Rep. Ehli, Rep. G. Hertz and Rep. Jacobson voted by proxy.

00:40:40 **Motion:** Rep. Flynn moved that **HB 550 DO PASS AS AMENDED**.

00:40:47 **Motion:** Rep. Fern moved that **HB 550 BE CONCEPTUALLY AMENDED TO CHANGE 20 TO 15 ON PAGE 1, LINE 23**.

Discussion:

00:41:22 Chair Essmann

00:41:37 Rep. Fern

00:42:11 Rep. Redfield

00:42:30 Chair Essmann

00:42:58 **Vote:** Motion failed 10-10 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Fern, Rep. Hamilton, Rep. A. Hertz, Rep. Jacobson, Rep. Kipp, Rep. Lavin and Rep. B. Smith voting aye. Rep. Ehli, Rep. G. Hertz and Rep. Jacobson voted by proxy.

Discussion:

00:44:51 Rep. Dunwell

00:45:14 Chair Essmann

00:45:41 Rep. Fern

00:46:06 Rep. Z. Brown

00:46:36 **Vote:** Motion carried 14-6 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Hamilton, Rep. Jacobson and Rep. B. Smith voting no. Rep. Ehli, Rep. G. Hertz and Rep. Jacobson voted by proxy.

EXECUTIVE ACTION ON HB 554

00:48:10 **Motion:** Rep. Beard moved that **HB 554 DO PASS.**

00:48:56 **Motion:** Rep. Beard moved that **HB 554 BE AMENDED.**
EXHIBIT(tah57a05)

Discussion:

00:49:26 Rep. Beard
00:50:11 Rep. White
00:50:24 Chair Essmann
00:50:55 Rep. Beard

00:51:23 **Vote:** Motion carried unanimously by voice vote. Rep. Ehli, Rep. G. Hertz and Rep. Jacobson voted by proxy.

00:52:01 **Motion:** Rep. Beard moved that **HB 554 DO PASS AS AMENDED.**

Discussion:

00:52:13 Rep. Beard

00:52:30 **Vote:** Motion carried unanimously by voice vote. Rep. Ehli, Rep. G. Hertz and Rep. Jacobson voted by proxy.

EXECUTIVE ACTION ON HB 558

00:53:03 **Motion:** Rep. Flynn moved that **HB 558 DO PASS.**

Discussion:

00:53:15 Megan Moore, LSD
00:53:39 Rep. Flynn
00:54:11 Rep. Fern
00:54:40 Rep. Abbott
00:55:17 Rep. Hamilton
00:55:50 Rep. A. Hertz
00:56:33 Rep. Z. Brown
00:57:59 Chair Essmann
00:59:03 Rep. Fern
00:59:34 Megan Moore, LSD

00:59:53 **Vote:** Motion carried 14-6 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Hamilton, Rep. Jacobson and Rep. B. Smith voting no. Rep. Ehli, Rep. G. Hertz and Rep. Jacobson voted by proxy.

EXECUTIVE ACTION ON HB 567

01:01:22 **Motion:** Rep. Dunwell moved that **HB 567 DO PASS.**

Discussion:

01:01:41 Rep. Dunwell

01:03:36 **Motion:** Rep. Dunwell moved that **HB 567 BE CONCEPTUALLY AMENDED TO CHANGE FUNDING DISTRIBUTION FROM .5 % TO 2 %.**

Discussion:

01:03:58 Rep. White
01:04:15 Rep. Dunwell
01:04:40 Rep. White
01:04:59 Megan Moore, LSD
01:05:12 Rep. Dunwell
01:05:23 Rep. Flynn
01:05:25 Rep. B. Smith left the meeting

01:06:10 **Vote:** Motion failed 9-11 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Fern, Rep. Hamilton, Rep. Jacobson, Rep. Kipp, Rep. B. Smith and Rep. White voting aye. Rep. Ehli, Rep. G. Hertz, Rep. Jacobson and Rep. B. Smith voted by proxy.

Discussion:

01:07:31 Rep. Dunwell
01:09:24 Rep. Flynn

01:10:05 **Substitute Motion/Vote:** Rep. A. Hertz made a substitute motion that **HB 567 BE TABLED**. Substitute Motion carried 12-8 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Fern, Rep. Hamilton, Rep. Jacobson, Rep. Kipp and Rep. B. Smith voting no. Rep. Ehli, Rep. G. Hertz, Rep. Jacobson and Rep. B. Smith voted by proxy.

EXECUTIVE ACTION ON HB 573

01:11:34 **Motion:** Rep. Flynn moved that **HB 573 DO PASS.**

Discussion:

01:11:41 Rep. Dunwell

01:12:28 **Motion:** Rep. A. Hertz moved that **HB 573 BE AMENDED.**
EXHIBIT(tah57a06)

Discussion:

01:12:38 Rep. A. Hertz
01:13:08 Chair Essmann
01:14:26 Rep. White
01:14:43 Rep. A. Hertz
01:15:19 Rep. Abbott
01:15:51 Rep. Dunwell
01:16:04 Rep. A. Hertz
01:16:17 Chair Essmann

01:16:26 **Vote:** Motion carried 17-3 by roll call vote with Rep. Abbott, Rep. Jacobson and Rep. B. Smith voting no. Rep. Ehli, Rep. G. Hertz, Rep. Jacobson and Rep. B. Smith voted by proxy.

01:17:48 **Motion/Vote:** Rep. Flynn moved that **HB 573 DO PASS AS AMENDED**. Motion carried 18-2 by voice vote with Rep. Abbott and Rep. B. Smith voting no. Rep. Ehli, Rep. G. Hertz, Rep. Jacobson and Rep. B. Smith voted by proxy.

EXECUTIVE ACTION ON HB 574

01:18:55 **Motion:** Rep. Flynn moved that **HB 574 DO PASS**.

Discussion:

01:19:04 Megan Moore, LSD

01:19:54 **Motion:** Rep. Flynn moved that **HB 574 BE AMENDED**.
[EXHIBIT\(tah57a07\)](#)

Discussion:

01:20:07 Megan Moore, LSD

01:20:37 **Vote:** Motion carried 19-1 by voice vote with Rep. Galt voting no. Rep. Ehli, Rep. G. Hertz, Rep. Jacobson and Rep. B. Smith voted by proxy.

01:21:12 **Motion:** Rep. Flynn moved that **HB 574 DO PASS AS AMENDED**.

Discussion:

01:21:23 Rep. Hamilton

01:22:17 Rep. Dunwell

01:22:49 Gene Walborn, Department of Revenue (DOR)

01:23:41 Rep. Flynn

01:23:57 Rep. Dunwell

01:24:27 Rep. Hamilton

01:24:40 **Vote:** Motion carried unanimously by voice vote. Rep. Ehli, Rep. G. Hertz, Rep. Jacobson and Rep. B. Smith voted by proxy.

EXECUTIVE ACTION ON SB 27

01:25:21 Megan Moore, LSD

01:26:24 **Motion:** Rep. Flynn moved that **SB 27 BE CONCURRED IN**.

01:26:31 **Motion:** Rep. Flynn moved that **SB 27 BE AMENDED**.
[EXHIBIT\(tah57a08\)](#)

Discussion:

01:26:42 Chair Essmann

01:27:28 **Vote:** Motion carried unanimously by voice vote. Rep. Ehli, Rep. G. Hertz, Rep. Jacobson and Rep. B. Smith voted by proxy.

01:27:59 **Motion/Vote:** Rep. Flynn moved that **SB 27 BE CONCURRED IN AS AMENDED**. Motion carried unanimously by voice vote. Rep. Ehli, Rep. G. Hertz, Rep. Jacobson and Rep. B. Smith voted by proxy. Rep. Fern will carry the bill.

EXECUTIVE ACTION ON SB 126

01:29:29 **Motion:** Rep. Flynn moved that **SB 126 BE CONCURRED IN**.

Discussion:

01:29:39 Megan Moore, LSD
01:30:09 Rep. Fern
01:30:20 Chair Essmann
01:30:35 Gene Walborn, DOR

EXHIBIT(tah57a09)

01:34:58 Rep. Welch
01:35:22 Rep. Fern
01:36:03 Chair Essmann

01:36:12 Without objection, Rep. Flynn withdrew the **BE CONCURRED IN** motion.

EXECUTIVE ACTION ON SB 132

01:36:30 **Motion:** Rep. Flynn moved that **SB 132 BE CONCURRED IN**.

Discussion:

01:36:40 Megan Moore, LSD

01:37:06 **Substitute Motion/Vote:** Rep. Flynn made a substitute motion that **SB 132 BE TABLED**. Substitute Motion carried unanimously by voice vote. Rep. Ehli, Rep. G. Hertz, Rep. Jacobson and Rep. B. Smith voted by proxy.

EXECUTIVE ACTION ON SB 150

01:37:58 **Motion:** Rep. Flynn moved that **SB 150 BE CONCURRED IN**.

Discussion:

01:38:06 Megan Moore, LSD
01:38:38 Rep. Fern
01:39:03 Rep. Redfield

01:39:23 **Substitute Motion/Vote:** Rep. Flynn made a substitute motion that **SB 150 BE TABLED**. Substitute Motion carried 17-3 by voice vote with Rep. Dunwell, Rep. Fern and Rep. Hamilton voting no. Rep. Ehli, Rep. G. Hertz, Rep. Jacobson and Rep. B. Smith voted by proxy.

EXECUTIVE ACTION ON SB 252

01:40:19 **Motion:** Rep. Flynn moved that **SB 252 BE CONCURRED IN**.

Discussion:

01:40:28 Megan Moore, LSD

01:40:55 **Vote:** Motion carried unanimously by voice vote. Rep. Ehli, Rep. G. Hertz, Rep. Jacobson and Rep. B. Smith voted by proxy. Rep. Redfield will carry the bill.

EXECUTIVE ACTION ON HB 309

01:43:49 **Motion:** Rep. Dunwell moved to **RECONSIDER ACTION** on **HB 309**.

Discussion:

01:44:14 Rep. Dunwell

01:46:55 Rep. Abbott

01:47:25 Megan Moore, LSD

01:47:51 Rep. Z. Brown

01:48:41 Rep. Kipp III

01:49:49 Rep. Redfield

01:50:16 Chair Essmann

01:50:54 Rep. Flynn

01:51:47 Rep. Dunwell

01:54:33 **Vote:** Motion failed 8-12 by roll call vote with Rep. Abbott, Rep. Z. Brown, Rep. Dunwell, Rep. Fern, Rep. Hamilton, Rep. Jacobson, Rep. Kipp and Rep. B. Smith voting aye. Rep. Ehli, Rep. G. Hertz, Rep. Jacobson and Rep. B. Smith voted by proxy.

ADJOURNMENT

Adjournment: 01:58:53

Margot Miltenberger, Secretary

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Additional Documents:

EXHIBIT([tah57aad.pdf](#))